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AGENDA ITEM 7a

TO: MEMBERS OF THE HEALTH BENEFITS COMMITTEE

- I. SUBJECT:** California Hospital Assessment and Reporting Taskforce (CHART) Update
- II. PROGRAM:** Health Benefits
- III. RECOMMENDATION:** Information Only
- IV. BACKGROUND:**

The CalPERS Board of Administration approved the *Partnership for Change* in 2005 to promote value in hospital care and help moderate costs. The goal is to establish a transparent and well-functioning marketplace where hospitals will compete for business on the basis of the quality and cost of the services they deliver. The *Partnership for Change* includes two components: the quality component - the California Hospital Assessment and Reporting Taskforce (CHART); and, the cost-efficiency component -- the Hospital Value Initiative (HVI).

This agenda item provides an update on the quality component - CHART.

CHART is a collaborative effort to publicly report hospital clinical quality and patient experience measures, led for the last four years by the University of California, San Francisco (UCSF), and the California HealthCare Foundation (CHCF).

The CHART objectives are to:

1. Stimulate improvement in the quality of hospital care, and
2. Provide consumers and purchasers the information they need to identify the highest quality hospitals.

CHART launched its CalHospitalCompare website, (CalHospitalCompare.org), on March 6, 2007, reporting on 50 performance indicators of patient experience and clinical quality for 209 hospitals, comprising approximately 80 percent of the average daily occupied hospital beds in California.

Initially, CHART received funding from participating health plans and a start-up grant from CHCF. Hospitals support CHART by voluntarily collecting and reporting quality measures to UCSF, which contracts with CHART to do the analysis. UCSF validates the data and ranks hospitals using a methodology developed and approved by the original CHART Steering Committee.

CHART Update

Following is a summary of the developments in CHART since the launch of the CalHospitalCompare.org website.

- CHART has incorporated as a 501(c)(3) corporation, and has elected officers. Representatives of hospitals, health plans, health care purchasers and consumers are members of its Board of Directors.
- The effort is now solely funded by the health plans.
- U.C. Davis hospital agreed to participate. CHART posted initial U.C. Davis data on its Web site in October 2007.
- The 2008 Measures selected for testing are: Pediatrics – Antibiotics for Appendicitis; and, Maternity – Term Neonatal Outcome Composite. Attachment 1 provides a list of 2008 CHART Hospital Performance Measures for Public Report, as of February 27, 2008.
- As of February 2008, 218 hospitals are reporting data.
- CHART refreshed all of its data in July 2007, updated the quality measures, and added measures of pneumonia mortality and surgical infection prevention.
- CHCF redesigned the CalHospitalCompare Home Page and updated the Web site in January 2008. The redesign incorporated improvements in the Hospital Tab (Critical Care, Patient Safety and Overall Patient Experience) and added new measures, i.e. ICU Mortality (Process and Outcomes), and Hospital-Acquired Pressure Ulcers.
- Recent results from a survey conducted by Harris Interactive show that awareness of CalHospitalCompare.org is the same as similar, but older, sites such as healthgrades.com and leapfrog.org. About 25 percent of consumers in the state are aware of these sites, with a much smaller percentage (5%) actually having used them.

Following are future plans:

- Health plans are working on quantifying savings attributable to improvements in the quality of hospital care, indicated by improvement in the quality measures.
- CHART is identifying additional measures to calculate and report using hospital administrative claims data from the Office of Statewide Health Planning and Development.
- CHART is in the process of developing a measure (approved for future public report) for Pediatric ICU – Ventilator Associated Pneumonia.

This agenda item provides two attachments:

1. A listing of 2008 CHART Hospital Performance Measures for Public Report, as of February 27, 2008
2. A listing of general California hospitals, with 100 or more average daily occupied beds, not yet participating in CHART.

V. STRATEGIC PLAN:

This item supports CalPERS Strategic Plan Goal 12 – “Engage and influence the health care marketplace to provide medical care that optimizes quality, access, and cost.”

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Attachments